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FORT WAYNE MARKET NEWS

United States Department of Agriculture
Agricultural Stabilization & Conservation Service
Milk Marketing Orders Division
Federal Milk Order No. 32

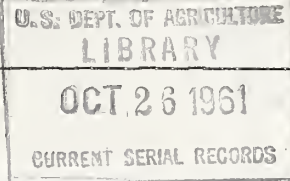
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Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. V No. 10

October 1961

SEPTEMBER UNIFORM PRICE \$4.50



Dairy farmers who delivered Grade "A" milk to handlers subject to the Fort Wayne milk order during September 1961, will receive a minimum uniform price of \$4.50 per hundredweight for milk testing 3.5%. A butterfat differential of 7.5 cents for each one-tenth of one percent that individual tests vary above or below the 3.5% standard will be used. This minimum price is subject to a 4 cent per hundredweight marketing service deduction and authorized hauling charges. The computation of the minimum blend price is shown on page 5 and the class prices on page 4.

The \$4.50 price for September 1961, includes approximately 29 cents derived from spring set aside funds and is 39 cents above the August 1961 price and 30 cents above the September 1960 price.

PRODUCTION AND UTILIZATION

Approved producers shipped 14,262,942 pounds of milk to the Fort Wayne market during September 1961, of which 11,968,648 pounds or 83.9% was utilized in Class I. Production was down 2.4% from August 1961. Class I utilization of producer milk was up 7.9% from August 1961.

There were 940 producers on the market for September 1961. Average production per farm per day was 505 pounds compared with 504 pounds for August.

NEWS FROM OTHER FEDERAL MARKETS

Amendments to the Chicago Federal Order, effective September 1, combined the former Class 3, 3a and 4 into a new manufacturing class designated as Class 3. The price of milk used in this class will be based on averaged prices paid by Wisconsin and Minnesota manufacturing plants. This marks the first use of this midwestern price series, in place of the 10 condenseries or butter-powder formula.

A hearing is to be held in Lansing, Michigan on October 17, to hear proposals for uniting all milk marketing orders in the Michigan lower peninsula and to bring the remainder of the state under federal control. A proposal to adopt the Wisconsin-Minnesota manufacturing pricing series will also be considered.

USDA recommended use of the Minnesota-Wisconsin price series as an alternate basic formula price in the Oklahoma and Red River Valley area.

A new order for Eastern Colorado went into effect on October 1, with pricing and payment provisions effective November 1.

A proposal to expand the Northeastern Ohio (Cleveland) marketing area was denied by the USDA.

CLASS I PRICE

The October price for Class I milk is \$4.40 or the same as the September Class I.

UTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

<u>CLASS I MILK</u>	September 1961 Reported		August 1961 Reported	
	<u>Milk Pounds</u>	<u>BF Pounds</u>	<u>Milk Pounds</u>	<u>BF Pounds</u>
Fluid Milk	10,214,825	360,116	9,447,097	333,304
Regular Skim Milk	81,510	329	78,831	302
Skim Milk - Solids Added	926,899	16,622	895,719	16,125
Buttermilk	131,063	992	144,476	1,053
Flavored Milk/Drink	529,400	15,007	316,270	7,981
Cream Mixtures	166,645	20,304	163,505	20,184
Light Cream	20,608	4,241	20,141	4,180
Heavy Cream	13,159	4,753	13,530	4,896
Sour Cream	16,906	3,133	17,670	3,284
Sub Totals	12,101,015	425,497	11,097,239	391,309
Plus Unaccounted For	52,453	3,563	18,884	2,923
Gross Total Class I Milk	12,153,468	429,060	11,116,123	394,232
Less Other Source Receipts	23,263	1,223	23,069	1,178
Less Overages	81	81	180	-0-
Less Beginning Inventory	161,476	325	5,395	24
<u>CLASS I PRODUCER MILK IN POOL</u>	<u>11,968,648</u>	<u>427,431</u>	<u>11,087,479</u>	<u>393,030</u>
<u>CLASS II MILK</u>				
Used by Pool Plants in the Manufacture of Class II Items	904,893	14,898	968,757	16,997
Sales to Non-pool Manufacturing Plants	1,442,641	75,277	2,321,559	107,524
Ending Inventory	1,024,406	41,390	1,182,415	48,023
Dumped or Livestock Feed	41,209	283	33,941	154
Class II Shrinkage	83,311	7,049	131,337	6,971
Gross Total Class II Milk	3,496,460	138,897	4,638,009	179,669
Less Other Source Receipts	174,641	1,434	94,440	1,737
Less Overages	4,965	418	891	129
Less Beginning Inventory	1,022,560	47,410	1,160,650	45,937
<u>CLASS II PRODUCER MILK IN POOL</u>	<u>2,294,294</u>	<u>89,635</u>	<u>3,382,028</u>	<u>131,866</u>
<u>TOTAL PRODUCER MILK IN BOTH CLASSES</u>	<u>14,262,942</u>	<u>517,066</u>	<u>14,469,507</u>	<u>524,896</u>

MISCELLANEOUS INFORMATION

	September 1961	August 1961	September 1960
Daily Class I Milk (Lbs.)	405,116	358,585	246,198
Current Month Compared With:		+ 13.0%	+ 64.5%
Production per Farm per Day	506	504	355
Current Month Compared With:		+ 0.4%	+ 42.5%
Gross Class I Milk to Producer Milk	85.2%	76.8%	84.9%
Pool Value of Producer Milk	\$614,109	\$607,251	\$373,034
Value of Producer Milk per Farm	\$ 653	\$ 655	\$ 457
Midwest Condensery Average	\$ 3.18	\$ 3.17	\$ 3.20
Butter-Skim Powder Price	\$ 3.20	\$ 3.20	\$ 3.05

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK
(By Months and Monthly Averages)

Month or Year	CLASS I			CLASS II			PRODUCER RECEIPTS (100%)		
	Product Pounds	Per- cent	Ave. Test	Product Pounds	Per- cent	Ave. Test	Product Pounds	Ave. Test	No. of Producers
1954	4,863,706	49.8	3.73	4,907,100	50.2	3.85	9,770,806	3.79	1,203
1955	5,439,171	60.2	3.71	3,589,087	39.2	3.77	9,028,258	3.73	1,053
1956	5,372,079	56.9	3.71	4,069,104	43.1	3.85	9,441,183	3.78	969
1957	5,297,442	61.0	3.69	3,387,512	39.0	3.90	8,684,954	3.77	897
1958	5,432,954	60.3	3.69	3,583,075	39.7	4.01	9,016,029	3.78	877
<u>1959</u>									
Jan.	5,734,246	71.8	3.71	2,251,969	28.2	4.58	7,986,215	3.96	816
Feb.	5,127,393	68.9	3.67	2,318,319	31.1	4.30	7,445,712	3.87	814
Mar.	5,453,646	61.4	3.67	3,424,429	38.6	4.09	8,878,075	3.83	838
Apr.	5,455,431	58.5	3.62	3,871,114	41.5	3.85	9,326,545	3.72	853
May	5,485,211	49.3	3.60	5,651,449	50.7	3.62	11,136,660	3.61	853
Jun.	5,075,153	47.7	3.61	5,575,823	52.3	3.45	10,650,976	3.53	851
Jul.	5,000,853	52.8	3.62	4,473,199	47.2	3.55	9,474,052	3.59	825
Aug.	4,928,650	58.5	3.60	3,499,272	41.5	3.52	8,427,922	3.57	807
Sep.	5,514,917	70.4	3.64	2,317,648	29.6	3.62	7,832,565	3.63	797
Oct.	5,915,022	73.2	3.67	2,167,099	26.8	4.21	8,082,121	3.81	792
Nov.	5,416,735	73.0	3.72	2,002,592	27.0	4.63	7,419,327	3.97	800
Dec.	5,703,024	70.6	3.72	2,375,204	29.4	4.61	8,078,228	3.98	801
Ave.	5,400,857	61.9	3.65	3,327,343	38.1	4.00	8,728,200	3.74	821
<u>1960</u>									
Jan.	5,647,775	64.9	3.67	3,057,276	35.1	4.45	8,705,051	3.94	810
Feb.	5,328,756	63.0	3.69	3,128,746	37.0	4.28	8,457,502	3.91	815
Mar.	6,044,400	66.5	3.66	3,042,537	33.5	4.45	9,086,937	3.93	817
Apr.	5,788,382	63.0	3.65	3,405,202	37.0	4.13	9,193,584	3.83	820
May	5,565,612	50.5	3.61	5,450,688	49.5	3.86	11,016,300	3.73	814
Jun.	5,840,565	57.5	3.61	4,315,897	42.5	3.76	10,156,462	3.68	809
Jul.	5,594,931	61.8	3.60	3,453,031	38.2	3.75	9,047,962	3.66	771
Aug.	5,823,405	71.4	3.61	2,337,299	28.6	3.79	8,160,704	3.66	763
Sep.	6,236,425	71.7	3.57	2,458,316	28.3	3.78	8,694,741	3.63	816
Oct.	6,230,313	63.9	3.59	3,517,116	36.1	4.02	9,747,429	3.74	849
Nov.	6,274,145	67.3	3.64	3,051,492	32.7	4.48	9,325,637	3.92	862
Dec.	6,499,191	62.9	3.67	3,830,930	37.1	4.44	10,330,121	3.96	861
Ave.	5,906,158	63.3	3.63	3,420,711	36.7	4.10	9,326,869	3.80	817
<u>1961</u>									
Jan.	6,347,397	59.1	3.58	4,385,705	40.9	4.34	10,733,102	3.89	845
Feb.	5,893,981	59.1	3.58	4,070,710	40.9	4.19	9,964,691	3.83	836
Mar.	6,429,786	62.6	3.58	3,834,277	37.4	4.12	10,264,063	3.78	724
Apr.	6,044,454	60.7	3.58	3,910,303	39.3	4.05	9,954,757	3.77	710
May	11,943,187	67.8	3.56	5,666,314	32.2	4.08	17,609,501	3.73	977
Jun.	10,853,098	64.3	3.54	6,023,595	35.7	3.61	16,876,693	3.57	964
Jul.	10,885,298	70.5	3.55	4,555,992	29.5	3.36	15,441,290	3.61	963
Aug.	11,087,479	76.6	3.54	3,382,028	23.4	3.90	14,469,507	3.63	927
Sep.	11,968,648	83.9	35.7	2,294,294	16.1	3.90	14,262,942	3.63	940

ORDER NO. 32 PRICES - 3.5% BASIS
(By Months and Monthly Averages)

Month or Year	CLASS I			CLASS II	UNIFORM	BUTTERFAT DIFFERENTIALS		
	Differ- ential	Supply Demand	Milk Price	Milk Price	Milk Price	Class I	Class II	Producer
1954	\$1.16	\$-0.27	\$4.003	\$3.106	\$3.59	\$.078	\$.067	\$.067
1955	1.16	+0.04	4.254	3.049	3.85	.075	.066	.066
1956	1.26	-0.07	4.352	3.157	3.91	.077	.068	.068
1957	1.16	+0.06	4.348	3.123	3.93	.077	.068	.068
1958	1.16	+0.04	4.173	2.965	3.73	.076	.067	.067
<u>1959</u>								
Jan.	1.15	-0.10	4.062	3.012	3.80	.075	.066	.066
Feb.	1.15	+0.10	4.262	3.012	3.89	.075	.066	.066
Mar.	1.15	+0.10	4.156	2.906	3.69	.075	.066	.066
Apr.	0.75	+0.07	3.707	2.887	3.37	.075	.067	.067
May	0.75	+0.07	3.725	2.905	3.31	.075	.067	.067
Jun.	0.75	+0.07	3.711	2.891	3.29	.075	.067	.067
Jul.	1.15	+0.07	4.117	2.897	3.56	.075	.067	.067
Aug.	1.15	+0.10	4.252	3.002	3.74	.078	.069	.069
Sep.	1.15	+0.20	4.465	3.115	4.08	.082	.072	.072
Oct.	1.60	+0.26	4.974	3.114	4.50	.081	.072	.072
Nov.	1.60	+0.26	5.036	3.176	4.57	.083	.074	.074
Dec.	1.60	.00	4.703	3.103	4.24	.080	.071	.071
Ave.	1.16	+0.10	4.264	3.002	3.84	.077	.069	.069
<u>1960</u>								
Jan.	1.15	.00	4.219	3.069	3.84	.075	.067	.067
Feb.	1.15	.00	4.172	3.022	3.75	.075	.067	.067
Mar.	1.15	.00	4.119	2.969	3.76	.075	.067	.067
Apr.	0.75	+0.07	3.742	2.922	3.45	.075	.067	.067
May	0.75	+0.19	3.859	2.919	3.39	.075	.067	.067
Jun.	0.75	+0.19	3.928	2.988	3.54	.075	.067	.067
Jul.	1.15	+0.19	4.402	3.062	3.91	.075	.067	.067
Aug.	1.15	+0.38	4.618	3.088	4.20	.077	.068	.068
Sep.	1.15	+0.38	4.624	3.094	4.20	.080	.070	.070
Oct.	1.60	---	4.719	3.119	4.15	.079	.070	.070
Nov.	1.60	---	4.750	3.150	4.24	.080	.071	.071
Dec.	1.60	---	4.750	3.150	4.16	.079	.070	.070
Ave.	1.16	+0.12	4.325	3.046	3.88	.077	.068	.068
<u>1961</u>								
Jan.	1.15	---	4.250	3.100	3.79	.079	.070	.070
Feb.	1.15	---	4.193	3.043	3.74	.079	.070	.070
Mar.	1.15	---	4.189	3.039	3.76	.079	.070	.070
Apr.	1.15	---	4.287	3.137	3.85	.079	.070	.070
May	1.20	---	4.430	3.19	3.64	.076	.070	.074
Jun.	1.20	---	4.39	3.18	3.59	.076	.070	.074
Jul.	1.20	---	4.38	3.18	4.02	.076	.070	.074
Aug.	1.20	---	4.38	3.20	4.11	.076	.070	.074
Sep.	1.20	---	4.40	3.20	4.50	.076	.070	.075
Oct.	1.20	---	4.40			.076		

FEDERAL MILK MARKET ADMINISTRATOR
FORT WAYNE INDIANA MARKETING AREA

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Agricultural Stabilization & Conservation Service
Milk Marketing Orders Division
Federal Order No. 32

503 Strauss Building
Fort Wayne, Indiana
Phone: Anthony 7401

COMPUTATION OF UNIFORM PRICE
(Based on reports of 20 Handlers)
SEPTEMBER 1961

	<u>Milk Pounds</u>	<u>Average Test</u>	<u>Class Prices at Test</u>	<u>Total Value</u>	<u>% of Pounds</u>
Class I	11,968,648	3.5713	\$4.454154	\$533,102.03	83.91%
Class II	<u>2,294,294</u>	3.9069	3.484806	<u>79,951.72</u>	<u>16.09</u>
Total	14,262,942			\$613,053.75	100.00%
Add: Value of Overage				392.80	
Add: Value of Other Source Assessments				18.96	
Add: Value of Inventory Reclassified				<u>643.16</u>	
Pool Value of Producer Milk				\$614,108.67	
Add: 1/3 of Spring Set Aside \$932.71(c)				41,297.61	
Less: Butterfat Adjustment to 3.5%				13,397.27	
Add: 1/2 Cash Balance in Producer Settlement Fund				<u>6,879.56</u>	
Adjusted Pool Value				\$648,888.57	Rate Per Cwt. \$4.5494721
Less: Producer Settlement Fund Reserve				<u>7,056.18</u>	<u>.0494721</u>
ANNOUNCED UNIFORM PRICE for 3.5% Milk				\$641,832.39	<u>\$4.50</u>

COMPUTATION OF PRODUCER BUTTERFAT DIFFERENTIAL

	<u>Butterfat</u>	<u>Differentials</u>	<u>Weighted Amount</u>
Class I	427,431	\$0.076	\$32,484.76
Class II	<u>89,635</u>	<u>0.070</u>	<u>6,274.45</u>
Total	517,066	\$0.075	\$38,759.21

The announced uniform price (f.o.b. pool plants at which no location adjustments are applicable) of \$4.50 for 3.5% milk is subject to adjustment by the producer butterfat differential of \$0.075 for each 1/10 percent of butterfat over or under 3.5%. This price is also subject to the applicable marketing service deduction and authorized hauling charges.

MINIMUM PRODUCER PRICES AT BUTTERFAT TEST FOR SEPTEMBER 1961

<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>
3.25	\$4.3125	3.70	\$4.6500	4.15	\$4.9875	4.60	\$5.3250
3.30	4.3500	3.75	4.6875	4.20	5.0250	4.65	5.3625
3.35	4.3875	3.80	4.7250	4.25	5.0625	4.70	5.4000
3.40	4.4250	3.85	4.7625	4.30	5.1000	4.75	5.4375
3.45	4.4625	3.90	4.8000	4.35	5.1375	4.80	5.4750
<u>3.50</u>	<u>4.50</u>	3.95	4.8375	4.40	5.1750	4.85	5.5125
3.55	4.5375	4.00	4.8750	4.45	5.2125	4.90	5.5500
3.60	4.5750	4.05	4.9125	4.50	5.2500	4.95	5.5875
3.65	4.6125	4.10	4.9500	4.55	5.2875	5.00	5.6250

Date Announced:
October 12, 1961

R. J. Connolly
Market Administrator

